

**TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE**



FISCAL NOTE

HB 1925 – SB 2288

March 13, 2016

SUMMARY OF BILL: Prohibits returning a child who has been abused to the custody or residence of any person who engaged in or knowingly failed to protect the child from the brutality or abuse, regardless of the severity of abuse, unless the courts find on the basis of clear and convincing evidence that the child will be provided a safe home free from further such brutality and abuse. Requires the Department of Children Service's (DCS) to terminate an employee who knowingly returns a child without the required court findings to the custody or residence of a person who was found by the Department or a court to be abusing the child or knowingly failing to protect the child from abuse. The employee will not be eligible for reemployment.

ESTIMATED FISCAL IMPACT:

Increase State Expenditures -- \$31,338,300

Increase Federal Expenditures -- \$14,928,200

Assumptions:

- The proposed legislation would expand Tenn. Code Ann. § 37-1-130(c) to include all victims of abuse, without regard to whether the abuse was severe.
- Based on information provided by the DCS, the provisions of the bill will require an additional hearing and subsequent court finding which will delay permanency for approximately 5,158 children.
- On average, this will extend the stay of custody by 90 days for the estimated 5,158 children. The average cost per day per child is \$85.
- The increase in expenditures for the increase in the length of stay is estimated to be \$39,458,700 (5,158 youth x 90 days x \$85 average cost per day per child).
- Based on information provided by the DCS, the increase in cases due to the total number of additional custody days, estimated to be 464,220 (5,158 children x 90 additional days), cannot be handled within existing resources.
- This will require the hiring of 85 additional case managers. Each case manager position will result in increased expenditures of \$63,746 (\$34,400 salary + \$14,346 benefits + \$15,000 additional costs). The total recurring increase in expenditures for 85 additional case managers is estimated to be \$5,418,410 (\$63,746 x 85).
- For every five case managers, the DCS will hire an additional team leader resulting in 17 (85 / 5) additional team leader positions. Each team leader will result in increased

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expenditures of \$69,267 (\$38,900 salary + \$15,367 benefits + \$15,000 additional costs). The total recurring increase in expenditures for 17 additional team leaders is estimated to be \$1,177,539 (\$69,267 x 17).

- For every five team leaders, the DCS will hire an additional team coordinator resulting in three (17 / 5) additional team coordinator positions. Each team coordinator position will result in increased expenditures of \$70,617 (\$40,000 salary + \$15,617 benefits + 15,000 additional costs). The total recurring increase in expenditures for three additional team coordinator positions is estimated to be \$211,851 (\$70,617 x 3).
- The total recurring increase in expenditures is estimated to be \$46,266,500 (\$39,458,700 + \$5,418,410 + \$1,177,539 + \$211,851).
- These expenditures will be funded through a combination of DCS state funds (52.0%), TennCare funds (45.0%), and Title IV-E federal funds (3.0%).
- The total recurring increase in expenditures of \$46,266,500 will be compiled of \$31,338,267 in state and \$14,928,233 in federal as follows:
 - \$24,058,580 in DCS state funds (\$46,266,500 x 0.52)
 - \$7,279,687 in TennCare state funds [(\$46,266,500 x 0.45) x 0.34965]
 - \$13,540,238 in TennCare federal funds [(\$46,266,500 x 0.45) x 0.65035]
 - \$1,387,995 in Title IV-E federal funds (\$46,266,500 x 0.03).

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.



Krista M. Lee, Executive Director

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